District I 1625 N. French Dr., Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 State of New Mexico Energy Minerals and Natural Resources Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-129 Revised August 1, 2011

Submit one copy to appropriate District Office

No.

NFO Permit

(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

A. Applicant: WPX Energy Production, LLC

whose address is: P.O. Box 640, Aztec, NM 87410,

hereby requests an exception to Rule 19.15.18.12 until 5/12/17, for the following described tank battery (or LACT):

Name of Lease: CHACO 2308-16I #148H API-30-045-35500 Name of Pool: Nageezi Gallup/Basin MC

Location of Battery: Unit Letter I Section 16 Township 23N Range 8W

Number of wells producing into battery 2

B. Based upon oil production of <u>107</u> barrels per day, the estimated volume

of gas to be flared is 138 MCF/D; Value: \$413 per day.

OIL CONS. DIV DIST. 3

APR 0 5 2017

C. Name and location of nearest gas gathering facility:

Beeline, Sec 16, T23N, R08W

D. Distance BUILT Estimated cost of connection

EMERGENCY FLARE EXTENSION

E. WPX Energy requests a <u>continued</u> authorization to flare the <u>CHACO 2308-16I #148H</u> if a potential cross flow event may occur as a result of a nearby Frac activity on **W Lybrook 704H/743H/744H** still occurring. If a cross flow event on the well results in nitrogen content above Williams pipeline standards, WPX requests an additional 30 days from our current expiration date of <u>4/12/17</u>, given approval.

A gas sample will be collected upon the confirmation of the cross flow and sent to a third party for results of the gas analysis. The gas analysis will be submitted upon receipt.

OPERATOR	OIL CONSERVATION DIVISION
I hereby certify that the rules and regulations of the Oil Conservation	7 10 - 17
Division have been complied with and that the information given above	Approved Until <u>5-12-2017</u>
is true and complete to the best of my knowledge and belief.	
Signature	By Charleter
Printed Name	
& Title:LACEY GRANILLO- PERMIT TECH III	Titles UPERVISOR DISTRICT #3
	Date $\triangle PR $ 07 2017
E-mail Address: lacey.granillo@wpxenergy.com	Date AFR UT 2011
Date: 4/5/17 Telephone No. (505) 333-1816	

* Gas-Oil ratio test may be required to verify estimated gas volume.